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STAFF NOTES:

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Romanian Election Returns

In the parliamentary elections on March 9, 99.9 percent of Romania's eligible voters dutifully went to the polls. No startling surprises emerged, but a few of the election results undoubtedly raised eyebrows in the leadership.

The voter was given a choice of multiple candidates for the Grand National Assembly for the first time since the communist take-over [redacted] As might be expected, the regime carefully managed this cautious experiment with democracy. There were no upsets, intellectual circles greeted the multi-candidate list with cynicism, and the man on the street seemed indifferent.

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Personalities were the only basis for choice--all candidates had the party's stamp of approval, swearing to uphold party policies and support the new party program. Five Central Committee members failed to win seats, however, and they may now find their party careers in jeopardy.

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The new assembly, which has been reduced from 465 to 349 members (for reasons of space in the assembly hall and economy), contains 46.9 percent of the party's powerful political executive committee.

The regime introduced the multi-candidate lists in part to gain some sort of reading on popular sentiment. What conclusions the regime will draw may become known when the new assembly goes into session shortly to pick a new government, Council of

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All Quiet on the Sino-Soviet Border

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Soviet propaganda, while continuing to attack China on many fronts, has made no mention of the border since the *Pravda* editorial article on February 22, which referred to Chinese "border provocations." Friday will be the first anniversary of the capture of the three crew members of a Soviet helicopter that strayed across the border. Moscow may use this occasion to publicize its efforts to obtain the release of the men and to attack China for continuing to hold them.

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Hungary At the Crossroads - Part II

Today's installment, the second of a three-part series, discusses Hungarian domestic policies on the eve of the 11th party congress that begins on Monday. In the final article, we shall consider foreign policy and the implications of the congress for the future.

While there is a good chance of personnel changes at the congress, the likelihood of abrupt policy reversals seems almost non-existent. But the economic and cultural policies that will be reaffirmed are not the same as those enunciated and practiced at the time of the last party congress in 1970. Over the intervening years, the regime has trimmed its moderate policies, and the prospects are for additional pruning in the near future because of the continued pressures for ideological orthodoxy and the new challenges of Western economic problems.

Economic Reform

The Hungarian economic reform--the only genuine reform remaining in Eastern Europe--has provided for considerable decentralization of decision-making. It cut back the role of plan directives by giving enterprises the authority to determine their own product mix, their customers, and much of their investment. Price controls were relaxed; some prices were allowed to fluctuate freely, and others were subject to ceilings.

Since 1971-72 the forward momentum of economic reform has slowed to a halt, although the ideals are still touted. Some enterprise prerogatives have been withdrawn, and many more have been circumscribed by a maze of procedures and rules. Local party organizations,

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factory worker councils, and central bureaucrats are more closely watching managerial decisions on investment, pricing, production, modernization, foreign trade, and utilization of profits.

The reformers' goal to link wages and productive efficiency more closely has been weakened by mounting "egalitarian" pressures. The regime has lowered the wage differentials between the skilled and unskilled, and among the similarly skilled employed in different factories. Low-paid manual workers have received special wage increases and additional indirect economic benefits. A national wage table went into effect on January 1, and experiments in tying wages to output rather than to profits continue.

Taxes on large incomes are higher, and restrictions on real estate ownership have increased. Additional restrictions have also been placed on the profitable industrial and service sidelines of agricultural cooperatives. Subsidies and prices are even more slanted in favor of the lower paid.

This retrenchment began in 1971, when large imbalances in foreign trade and investment coincided with instances of managerial errors, malfunctioning of some economic regulators, and grumbling of workers about wages and income inequities. The situation led to an intra-party debate over the economic reform in 1972. Within the leadership, Politburo members Sandor Gaspar and Karoly Nemeth and party secretary Arpad Pullai appear to have taken the lead in criticizing the reform for its neglect of worker interests. A landmark session of the Central Committee in November 1972 reaffirmed the reform as "basic" policy, and spelled out the series of restrictive measures that subsequently were implemented.

The November "compromise" only temporarily quelled the debate. In March, 1974, two ardent reformers in

the Politburo and a number of lesser figures suffered political setbacks. What precipitated the showdown is not clear, but the need to make difficult economic choices may have played a role. At the time, Hungary was beginning to feel the effects of escalating Western oil prices and Western inflation.

Some basic features of the economic reform remain. The regime has not returned to the kind of central planning practiced in other CEMA countries. However thick the rule book, a factory manager can still propose and, to a large extent, dispose. The Hungarians have taken the lead among the East Europeans in raising prices to reflect increased costs. Many of the increased central controls are economic--not administrative--levers, which are in keeping with the spirit of the economic reform.

Selective liberalization in economic relations with the West also has continued, and Hungary has led Eastern Europe in making new types of cooperative and financial arrangements. In June 1974, Budapest concluded its first joint equity investment in Hungary with a Western company; later in the year, a new foreign trade law laid the legal groundwork for the opening of Western business offices in Hungary.

Culture and Ideology

At least partly because of prodding from Moscow, the regime has also shifted to slightly more orthodox ground in the cultural sphere. Since Kadar's famous dictum in 1961 that "he who is not against us, is with us," official policy has sanctioned artistic and intellectual works of a non-ideological cast, requiring only that they not be politically hostile and that they have some redeeming humanist or esthetic qualities. In practice, the policy meant little formal censorship, the availability of much good non-Communist literature

from the West, and frothy discussion of controversial works. Official taboos on questioning Hungary's "socialist" credentials, attacking the Soviet Union, or offending Hungary's other close allies were generally observed through a pervasive but loosely constructed system of self-censorship.

The regime's tolerant attitude, which at times bordered on permissiveness, has slowly changed since 1972 to one of watchfulness and increased sensitivity to unorthodox political views. Special attention has focused on literary and scholarly studies that explore the quasi-ideological areas of sociology. In spite of its pronounced preference for public debate and persuasion, the regime has not hesitated to use the "administrative" weapons of arrest, detainment, and trial. Cultural authorities have been working actively to encourage closer self-censorship and the production of more orthodox ideological works. At the same time, Budapest has been casting about for ways to infuse more ideology into education and into popular culture.

At the November 1972 Central Committee plenum where the economic reform was "compromised," Kadar reaffirmed his support of a flexible cultural policy, but hinted that the regime was prepared to become more harsh. The session was preceded by a toughly worded declaration on cultural policy and was followed soon by a meeting between intellectuals and representatives of the Politburo. The regime passed the word to avoid controversy and signaled that it was ready to punish those who ignored its wishes.

The warning was intended largely for a small number of writers, whose excursions into sociology borrowed heavily from Western thought, pointed out the discrepancies between Marxist theory and Hungarian practice, and drew unflattering parallels between socialist Hungary and the capitalist West. Many were disciples

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of the irascible Hungarian Marxist, Gyorgy Lukacs, who had died in mid-1971. Their probes of Hungary's social structure had grown out of efforts sponsored by the regime to enlist the intellectuals' energies and to uncover areas for corrective action. By 1972, the intellectuals had become too candid, their conclusions too honest. Their studies flirted with the Western theory of convergence, something orthodox ideologues believe is the philosophical basis of Western-directed subversion. Their writings gave ammunition both to critics of the economic reform, who suspected that Hungary was indeed becoming capitalist and to critics of the lenient cultural policy, who feared that toleration would inevitably lead to subversion.

Although Lukacs had been an international personality, virtually immune from prosecution, his lesser known followers were not. In June 1973, the party removed a handful of controversial sociologists --including the colorful former premier Andras Hegedus --from its ranks, and shifted other non-party intellectuals from lucrative research jobs to positions as translators and archivists. The same year, the regime began legal proceedings against a young leftist poet/sociologist, Miklos Haraszti. A lengthy trial aroused considerable concern among Hungarian intellectuals and in some Western Communist parties. Haraszti was eventually given a suspended sentence.

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Since early 1974, the regime has made a special effort to upgrade and expand its program for mass ideological-political education. Soon after the March plenum, the Ministry of Culture was replaced by two new ministries--one for education and one for culture--in an apparent effort to focus energies and to signal the regime's determination. The Radio and Television Directorate was also split in two with a high-ranking party apparatchik picked to head Hungarian television.

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Despite this tightening of controls, Budapest seemingly retains its pragmatic belief that more ideo-political content should not lead to less entertaining material. A wide range of Western literature, movies, and plays continues to be available. Within the more narrow artistic-cultural sphere, the authorities have not dictated norms, imposed central tastes, nor decreed ideological infusions. Certainly by the Soviet measuring stick, the Hungarians continue to be "liberal."

The increased attention to ideology is likely to continue. The draft resolutions for the party congress put heavy emphasis on ideology and orthodoxy. They hint at future direct censorship of literary works, and show less patience with nonconformity. Perhaps more important, there are no signs that Soviet or domestic pressures for a more orthodox approach are lessening.

Youth

The regime's persistent problem with youth is a major cause of the increased attention to ideology. Young people who openly follow Western fads, young intellectuals who espouse a Western radicalism or Maoist leftism, young nationalists, and young workers who have criticized wage and income inequities, all have stimulated the fears of the ideologues.

In an effort to ameliorate its "youth problem," the regime has twice since 1970 shuffled the top leadership of the Communist Youth League. It has also drafted a comprehensive national youth law, passed a party resolution to improve the ideological and political education of young people, and upgraded the Council on Youth into a State Youth Committee. In 1974, the regime sponsored a series of youth parliaments, apparently to keep abreast of developments.

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The regime has also moved on a broader plane to gain youth's allegiance by accepting some of the less ideologically offensive features of the Western youth movement and by trying to increase upward mobility within the party and government. Since March 1974, the regime has been intensively reviewing the educational system, with an eye toward more effective ideo-political indoctrination of the new generation. The program is getting high-level attention, judging by Kadar's recent stress on the need to study the "development of personality."

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